## REMARKS/ARGUMENTS

Claims 1-4, 6, 7, 11-14, 16-21, 23, and 24 are pending in this Application.

By this Amendment, claims 1, 6, 11, 16, 18, and 23 are currently amended.

Applicants respectfully submit that support for the claim amendments can be found throughout

the specification and the drawings.

Claims 1-4, 6, 7, 11-14, 16-21, 23, and 24 remain pending in the Application after

entry of this Amendment. No new matter has been entered.

In the Office Action, claims 1-4, 6, 7, 11-14, 16-21, 23, and 24 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Applicants' background and in further view of U.S. Patent No. 6,609,112 (hereinafter "Boarman") and U.S. Patent Application Publication

No. 2002/0147675 (hereinafter "Das").

## Claim Rejections Under 35 U.S. C. § 103(a)

Applicants respectfully traverse the rejections to claims 1-4, 6, 7, 11-14, 16-21, 23, and 24 and request reconsideration and withdrawal of the rejections under 35 U.S.C. § 103(a) based on Applicants' background, Boarman, and Das. Applicants respectfully submit that Applicants' background, Boarman, and Das, either individually or in combination, fail to disclose one or more of the claim limitations recited in each of claims 1-4, 6, 7, 11-14, 16-21, 23, and 24. These differences, along with other differences, establish that the subject matter as a whole of claims 1-4, 6, 7, 11-14, 16-21, 23, and 24 would not have been obvious at the time of invention to a person of ordinary skill in the art.

For example, Applicants' background, Boarman, and Das, either individually or in combination, fail to disclose or suggest the limitations recited in claim 1 of "determining, with the one or more processors associated with the one or more computer systems, whether the first bid should be utilized as a second seed price for the auction setting the current asking price to enable bidding on the item above a floor established at the current asking price." This limitation is supported in the Application, for example, at least in FIG. 5 where in step 63 prior to awarding the item in step 65, an increase in the first bid is posted to the network-based auction location as a current bid price to enable bidding on the item at the current bid price. Amended claim 1

further recites, "prior to awarding the item to any of the auction participants, based on a determination that the first bid should be utilized as a second seed price for the auction, posting an increase in the current asking price to the network-based auction location with the one or more processors associated with the one or more computer systems to enable bidding on the item above the floor established at the current asking price, and periodically increasing and posting, with the one or more processors associated with the one or more computer systems, the current asking price to the network-based auction location while bids from the auction participants are made that satisfy the current asking price." (e.g., See steps 62-64 of FIG. 5).

The Office Action acknowledges that Applicants' background fails to disclose the combination of Dutch and English auctions such that the first bid is utilized as a second seed price for the auction setting the current asking price to enable bidding on the item above a floor established at the current asking price. Boarman and Das, either individually or in combination, further fail to disclose or suggest this limitation. Moreover, Applicants' background, Boarman, and Das, either individually or in combination, fail to disclose or suggest that prior to awarding the item to any of the auction participants and based on a determination that the first bid should be utilized as a second seed price for the auction, an increase in the current asking price is posted to the network-based auction location with the one or more processors associated with the one or more computer systems to enable bidding on the item above the floor established at the current asking price where previous bidding was below a ceiling established at the current asking price.

Accordingly, Applicants respectfully submit that Applicants' background,

Boarman, and Das fail to disclose each and every claim limitation as recited in amended claim 1.

Applicants further respectfully submit that none of the cited references cure the above-discussed deficiencies of Applicants' background, Boarman, and Das, and thus, claim 1 is allowable over the cited references.

Applicants respectfully submit that the other pending independent claims are allowable for at least a similar rationale as discussed above for the allowability of claim 1, and others. Applicants respectfully submit that the dependent claims that depend directly and/or indirectly from the independent claims, are also allowable for at least a similar rationale as discussed above for the allowability of the independent claims. Applicants further respectfully

submit that the dependent claims recite additional features that make the dependent claims allowable for additional reasons.

## Claim Rejections Under 35 U.S.C. § 112, second Paragraph

Based on the above amendments to the clams, Applicants respectfully traverse the rejections to claims 1-4, 6, 7, 11-14, 16-21, 23, and 24 and request reconsideration and withdrawal of the rejections under 35 U.S.C. § 112, second paragraph as allegedly being indefinite.

## CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance and an action to that end is respectfully requested.

Further, the Commissioner is hereby authorized to charge any additional fees or credit any overpayment in connection with this paper to Deposit Account No. 20-1430.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 925-472-5000.

Respectfully submitted,

/Sean F. Parmenter, Reg. No. 53,437/ Sean F. Parmenter Reg. No. 53,437

TOWNSEND and TOWNSEND and CREW LLP Two Embarcadero Center, Eighth Floor San Francisco, California 94111-3834 Tel: 925-472-5000 Fax: 415-576-0300 SFP:lls 82806289 47